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Office of the Chief of Staff, USAF

Operational

CARDED

Interrogation of Herbert GEORGE

1. Update learned on 17 May 1952 from Mr. De Antonio of SAC, San Francisco, that two Hungarians, Laszlo MASLON and Herbert GEORGE, were jailed by the German Border Police for repeated illegal border crossings from Austria to Germany and back to Austria and that both could be interrogated under HIC cover in San Francisco jail.

2. Since GEORGE is known from the Guggenheim/Hungary project as an intelligence operator, upon Steven A. Babson's request Foley and Hottle interrogated him in San Francisco in order to establish the following:

- Is he or is he not a Communist agent provocateur?
- Is he or is he not an intelligence fabricator?
- Does he have contacts in Hungary which could be exploited for intelligence purposes.
- Are there any control systems or could was in exploiting GEORGE's possibilities.

3. The contacts by Foley on 19 May and by Hottle on 22 May showed that GEORGE could not arrive in San Francisco without a month-long interrogation of GEORGE, in view of the extensive material and in view of his character. On these two meetings GEORGE firmly denied fabrications and indicated that his reports were obtained from some other sources through espionage channels. In order to determine the procedure Hottle arranged for a carriage test through Mr. Walter of CIA, Budapest, for 26 May. A room was booked at the Pando Hotel at San Francisco for "a radical operation", and GEORGE was escorted by Hottle from the San Francisco jail to this room for "radical operation". GEORGE suffers from a serious speech ailment with recurrent spasms, in spite of his undergoing several operations. On the morning of the carriage test he felt well, although he did not see medication.

4. When Hottle explained to him the nature of the carriage test, GEORGE instantly admitted to intelligence fabrication and revealed his intelligence background as follows:

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5. GEORGE began his intelligence career in 1943 as informant for László HORVÁTH who was eager to find out the origin of adverse rumors about Miklós NORTHY and his family in Hungary. In 1944 GEORGE was put on the payroll of the Cabinet-bracketed by HORVÁTH. All the while he retained his job as a school teacher at Sopron.

6. In 1942 he was recruited by the German SD. László NORTHY, who wanted GEORGE to learn more about German intentions in Hungary, allegedly approved of the affiliation. In 1944 GEORGE was recruiting stay-behind agents for the Germans, who expected the Soviet to take over Hungary. Some of these men, whom he failed to name, could allegedly be recontacted. Organization of stay-behinds was not completed because the radios which had been promised were never distributed.

7. Upon cessation of hostilities GEORGE left Sopron in order to evade possible persecution as former SD agent. He left in Sopron his mistress, László BÉK, and took along with him his wife and three children.

8. To avoid detection of being a former SD man GEORGE traveled constantly after the Soviet crossed the country until the end of 1946. In 1946 he befriended a young AVO man in Hegyeshtalon by the name of István FÉLKE, whom he provided with false school credentials which enabled FÉLKE to secure officer status with the AVO and to become captain of Border Guards. FÉLKE is now stationed at the Károlyi Building, Budapest. Another person who received false school credentials from GEORGE is one Ferencz SILLI, who, according to GEORGE, is now with the Hungarian Planning Office. GEORGE, feeling that he was now "protected", entered the CP at the end of 1946 and secured employment as teacher at Hegyeshtalon.

9. During the summer of 1947 Rosa BÉK appeared in Hegyeshtalon, and subsequently GEORGE was questioned twice, once in August and once in December 1947, by the AVO regarding his past. He claimed that he was anti-German and stated that for one month he was under arrest by the SD--which was true. However, arrest was made in view of his refusal to carry out an order which GEORGE considered unjust. (No details asked or given.)

10. Fearing that the police investigation had been brought on by BÉK's denunciation and fearing that she may provide proof, GEORGE fled in February 1948 to Vienna. He moved subsequently to Zell am See and Bruck a/d Gross Glöckner Str. In Bruck GEORGE met Lajos NOVISENIAK, who found that GEORGE had material of interest to western intelligence organizations and had not been debriefed by CIA nor MIS. Through Arpad HEMZELI, a friend of Novizek, GEORGE was recommended to George KOLLÁRYI, a Zipporite who recruited him as courier agent after debriefing him.

11. In May 1949 he was sent back to Hungary on his first mission, which he accomplished satisfactorily. On the way out he smuggled to Austria one Edith KISS.

12. In the course of 1949 he made two additional trips to Hungary. Each time he had a smuggling assignment in addition to his intelligence mission. On these two trips he used as a safe house the home of Ferencz KISS, uncle of Edith KISS, at Erdőiget. The intelligence collected was unorganized and inconsistent except for his own visual observations.

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13. POLIARII and Bela LASZLI stated to GEOGZE that too much work on their part would be required to organize the reports into a presentable and acceptable form. Therefore the reports were returned to GEOGZE with the request that he "push them up".

14. At first this task involved merely some basic research, such as coordinating and checking drawings with available town maps, putting in the exact latitudes, co-ordinates, etc. In the course of this research work GEOGZE found in the Railroad Museum and in the Technical Museum of Vienna a mass of technical data and drawings on Hungary with which he "supplemented" his reports and got away with it. Step by step he became a dyed-in-the-wool "fabricator".

15. He still attempted to retain contact with his "agents" in Hungary and with various smugglers; however, the low level data furnished by these was used merely to give an authentic air to the "manufactured" reports on railroad profiles, bridges, etc.

16. Through the smugglers he obtained Hungarian technical periodicals, in which he found forms used by the Nationalized Hungarian factories to report their weekly production data. These GEOGZE used to formulate up-to-date production reports on the basis of information which he obtained from refugees. He claims that his shipping lists on Austro-Hungarian railroad traffic were genuine and that he obtained data for these lists through Josef SEPCEK and Karoly STALLER, both of whom allegedly have been arrested by the Soviet or by Hungarian authorities.

17. The following of his contacts are still available today:

18. Robert GÖRLICH, Vienna XVIII, Thuniggasse 54. He is a former sergeant of the Luftwaffe, an Austrian, traveling in the Soviet zones of Austria.

19. Jupp KAISER, Vienna XVIII, Hockegasse or Glockengasse 5/3—a city apartment house. KAISER works in the "Winterhafen" as a ship motor mechanic and is frequently working among the Messhart ships, where he retains contact with Messhart personnel. Through these individuals (unidentified) he receives messages from one Josef SZER, a Danube River helmsman residing at Tolna. SZER plies the river between Mohacs and the Matyas Rakosi Works at Csepel, delivering coal to the Matyas Rakosi Works. Today he is used as a letterbox for Istvan TATOS, Jr., and Istvan TATOS, Jr., residents of Ujfehértó. TATOS, Jr., is a railroad employee at Nyiregyhaza, and his sister (name unknown) is married to another railroad man employed at Debrecen. They furnish "news items" for RFE broadcasts.

20. János SZABO, a resident of Lipót village near Győr. Shortly after the war SZABO joined the Communist Party at GEOGZE's insistence and became a distributor for the Communist publishing firm "Sajtó". SZABO served as a courier between Győr and Munkács, Austria, where he delivered his material to one Karl ACS, who in turn passed it to GEOGZE. SZABO has not been used since the end of 1949, but according to GEOGZE he is still free and could be activated. Although his education is limited and he is not very articulate, GEOGZE thinks highly of him.

21. Hans A. PAUL, an American resident of Paris, LOPITA is a former contact of GEOCZE who has not been used since the arrest of Harold STADLER. This contact could eventually be renewed.

22. Heinz KASANI, an Austrian citizen of Hungarian descent. GEOCZE did not have his address at hand. KASANI has contacts with technical personnel working with the firms "Wiener Erbsen", "Birn and Wagner", and the "Siemens" works, all under CIA. These firms send skilled personnel into satellite countries to mount various machinery, and this channel is now used by GEOCZE to obtain material for his current employer, Aurel ABRANYI of RFE. (Incidentally, GEOCZE claims that ABRANYI in the past diverted the military information obtained from various channels to the French IS and that ABRANYI also bought Hungarian documents from refugees.)

23. GEOCZE is contacted every two weeks by an employee of the Sicherheits-direction, Vienna, named PLACHY. The latter is informed concerning most of GEOCZE's activities and extends police protection in exchange for information.

24. He is no longer in contact with Mihaly FARKAS, a former Hungarian customs guard, nor with Attila JAKUBAUSKI, both of whom are known to him as intelligence fabricators. At present he uses Masinger LASZLO as a listening post in Vienna among Hungarian refugees.

25. After the above confession by GEOCZE the test ran as follows:

# TEST #1

	Answers
1. Is your real name Bartalan GEOCZE?	yes
2. Were you born at Ungvar?	yes
3. Are your children and wife in Hungary?	yes
4. Did you have breakfast today?	yes
5. Were you ever or are you now in touch with any Soviet or Communist-controlled agencies?	no
6. Do you smoke?	yes
7. Are you a Communist	no
8. Are you married?	yes
9. Do you have reliable informants in Hungary?	yes
10. Is your current residence in Hungary?	yes
11. Were the statements you gave me today all true?	yes
12. Were you ever arrested, other than the cases you reported to me?	no

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26. Upon asking the questions to 260122 the latter reiterated that he was a CP member but not a Communist in 1946-47. He further confessed that in January 1952 an unknown Hungarian security agent called him on the phone and subsequently passed to him, through P. O. Box 180, a letter requesting him to cooperate with the AVN and also requesting a personal meeting. The meeting did not materialize. The Hungarian agent never mentioned the name of Q50X12 and addressed him by his alias, Ing. Brichler. The incident was reported to Fr. "Mark" of CIC and to Herr Flachy.

#### TEST #2

A second test was run in which the questions and answers to numbers 1 and 2 were the same.

3. Were you or are you now in contact with the individuals whose names I just listed? (names of all the prominent Austrian intelligence fabricators, such as Josef Wirth, Albert Wirth, etc.) no
4. Did you have breakfast today? yes
5. Have you ever or are you now in touch with any Soviet or Communist-controlled agencies? no
6. Do you smoke? yes
7. Did you return in person to Hungary in 1949? yes
8. Are you married? yes
9. Do you have reliable informants in Hungary? yes
10. Is your current residence in Vienna? yes
11. Are you currently in contact with others than those given in your statements today? no
12. Do you have reliable couriers to Hungary? yes
13. This is now a delicate question (pause). Do you believe it? yes

#### TEST #3

27. A third test was given to see whether subject is a good reactor. Questions numbers 1, 2, and 3 were the same as in the second test. Question number 4 was preceded by the statement, "Your future depends now on this question". Then, as if the interrogator had changed his mind about proceeding with the questioning, the statement was made, "You don't have to answer any more questions."

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28. Mr. Giesler found subject a good reactor. No indication was observed that he was or is an agent of the opposition or that he had lied. Subject broke down twice during the interrogation when conversation revolved around the subject of his children in Hungary. To Kollanyi he had denied in the past having a wife and children in Hungary, because he learned that Kollanyi may blackmail his contacts into cooperation, and he did not wish to furnish such potential lever.

#### Conclusion

29. In the basis of the carriage test we arrived at the following answers to the four questions listed in paragraph 2.

- a. It is believed that GROSS is not a Communist agent.
- b. GROSS admitted to being a fabricator; yet he has been able to claim he made efforts to establish a genuine business enterprise in Hungary. In this endeavor, he covered his tracks, in our opinion, systematically and effectively—considering the amount of his disloyal. The fact that he turned fabricator could be at least partly attributed to lack of proper control and guidance on the part of his former control agents, Lancy and Kollanyi.
- c. He probably has contacts in Hungary which could be exploited for intelligence purposes. GROSS expressed his willingness to submit himself and also his couriers to any control, including repeated carriage tests.
- d. We have hardly any control factors at our disposal in dealing with GROSS. He is fond of money. He seemingly longs to establish himself as a man of good standing with the U. S. authorities, primarily to secure steady employment from which he hopes to gain improvement in health. Yet the strongest control factor is in the hands of the opposition, i. e., he is very fond of his three children. His wife has little role as a control factor, because he is estranged from her. But the opposition is probably aware already of his true identity and knows his whereabouts.

#### Recommendation

30. It is believed by the undersigned that were GROSS to receive proper guidance and training under a senior case officer he would become an efficient intelligence operator. If the security problems listed in the previous paragraph can be solved, GROSS could be considered for employment.

#### Contact arrangements

31. GROSS will recognize anyone as an associate of Stalin who will show him a slip of paper with the question: "Haggelzett-e?" (Is your name broadcasted today?) He can be reached at Vienna Postaleinsdorferstrasse 30.

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34. [ ] who administered the carriage test and watched for possible reactions, was unable to follow the conversation in Hungarian or German with GEORGE and although aware of intelligence interest, is not familiar with the topics discussed.

35. A cursory interrogation of Hefinger, a former schoolmate of GEORGE, showed that he is of no specific operational interest to us.

36. Attached are three carriage test diagrams for your perusal.

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2 - Wien  
2 - Sala

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